



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

August 7, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS: PACOIMA GENERAL
REFURBISHMENT PROJECT
AWARD CONSTRUCTION CONTRACT - SPECS. 6859; C.P. 88918
(SUPERVISORIAL DISTRICT 3)
(3 VOTES)**

JOINT RECOMMENDATION WITH THE FIRE CHIEF THAT YOUR BOARD:

1. Approve the \$2,800,000 total project budget for the Pacoima General Refurbishment project.
2. Find that the bid submitted by the original apparent lowest bidder, Pima Corporation, was nonresponsive.
3. Award a construction contract in the amount of \$1,288,610 to Segovia Construction for the Pacoima General Refurbishment project, subject to the satisfactory and timely completion by the contractor of the consultant services agreement to prepare a baseline construction schedule for the project and receipt by the County of acceptable Faithful Performance and Payment for Labor and Materials Bonds and evidence of required contractor insurance.
4. Delegate to the Director of Public Works the authority to determine, in accordance with the applicable contract and bid specifications, whether the contractor has satisfied the above conditions for contract award, and authorize the Director to execute the construction contract, in the form previously approved by County Counsel, and to establish the effective date of

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the construction contract if the Director determines that the above conditions have been satisfied.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to allow construction of the Pacoima General Refurbishment project to commence.

The Pacoima complex is a 22-acre, multiuse campus that has been occupied by the Fire District since 1933. The complex is home to the Fire District's Materials Management, Forestry, Fleet Services, and Air and Wildland Divisions and Craft and Technical Operations Sections.

The proposed project will construct a security gate and fence with a guardhouse at the entrance of the Pacoima complex to protect equipment, vehicles, and helicopters from theft and vandalism, and install a new sewer line to replace the saturated leech fields. As previously approved by your Board, the renovation of the existing warehouse at the site is also part of the project's scope and will be completed through use of a Department of Public Works' Job Order Contract.

On May 15, 2007, your Board authorized readvertising for construction bids, and on June 14, 2007, six bids were received. Pima Corporation submitted the apparent lowest bid, but was determined to be nonresponsive because it failed to provide proof of bonded sewer contractor approval by the City of Los Angeles at the time of bid as required in the bid documents. Segovia Construction is the next lowest responsible bidder meeting the criteria adopted by your Board.

As approved by your Board, a consultant services agreement was executed with Segovia Construction to prepare a baseline schedule for a \$5,000 not-to-exceed fee. The bid specifications provide that if the apparent lowest bidder fails to complete an acceptable schedule, we may return to your Board to recommend that the bidder be determined nonresponsive and recommend awarding the construction contract to the next lowest bidder, contingent on that bidder completing a baseline schedule that conforms to the County's specifications. We are, therefore, recommending award of the construction contract to Segovia Construction. The cost of the consultant services agreement with Segovia Construction will be subtracted from their total lump sum bid as described in the Instruction to Bidders.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs that we provide Service Excellence (Goal 1) by providing safe and secure facilities. In addition, this action is consistent with Community Service (Goal 6) by improving the quality of life for residents in the surrounding community.

FISCAL IMPACT/FINANCING

The recommended construction contract with Segovia Construction is for \$1,288,610. In addition, 10 percent of the contract amount is allocated for change orders in the project budget.

As reported to your Board on May 15, 2007, the total project budget is \$2,800,000, which represents an increase of \$473,587 from the current Board-approved project budget of \$2,326,413. The recommended increase is primarily due to scope modifications for hazardous materials abatement, restroom renovation, temporary construction facilities, and associated County services. The Project Schedule and Budget Summary are shown in Attachment A.

Sufficient funding is available in the Fire District's Fiscal Year 2007-08 Capital Projects Accumulated Capital Outlay Fund to complete construction of the proposed project.

Operational Financing

Upon completion of the Pacoima General Refurbishment project, there will be no impact to the operating budget because it renovates existing infrastructure.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A standard construction contract, in the form previously approved by County Counsel, will be used. The standard Board-directed clauses that provide for contract termination, renegotiation, and hiring qualified displaced County employees will be included in the contract.

The project specifications contain provisions requiring the contractor to report solicitations of improper consideration by County employees and allowing the County to terminate the contract if it is found that the contractor offered or gave improper consideration to County employees.

As requested by your Board on August 12, 1997, and as a threshold requirement for consideration for contract award, Segovia Construction is willing to consider Greater Avenues for Independence Program/General Relief Opportunity for Work participants for future employment.

As required by your Board, language has been incorporated into the project specifications stating that the contractor shall notify its employees, and shall require each subcontractor to notify its employees, about Board Policy 5.135 (Safely Surrendered Baby Law) and that they may be eligible for the Federal Earned Tax Income Credit under the Federal income tax laws.

Segovia Construction is in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program) and Chapter 2.203 (Contractor Employee Jury Service Program).

ENVIRONMENTAL DOCUMENTATION

On April 18, 2006, your Board found the Pacoima General Refurbishment project, which includes the warehouse restrooms remodel, guardhouse, gate, fence, and sewer line, to be categorically exempt from the provisions of the California Environmental Quality Act.

CONTRACTING PROCESS

On May 15, 2007, your Board adopted plans and specifications for the project at an estimated \$1,325,000 construction cost and instructed the Executive Officer to advertise for construction bids. On June 14, 2007, six bids were received. Pima Corporation with a bid of \$1,273,000 was the apparent lowest bidder. However, Pima Corporation failed to provide proof of bonded sewer contractor approval by the City of Los Angeles at time of bid submittal. Failure to provide the required information constitutes a material deviation from project specifications, and thus renders Pima Corporation nonresponsive.

Accordingly, we recommend that you find that Segovia Construction with a bid of \$1,293,610 is the apparent lowest responsible bidder meeting the criteria adopted by your Board. The bid results are summarized in Attachment B.

Segovia Construction's Community Business Enterprises participation data (6 percent) and 3-year contracting history is on file with the Department of Public Works.

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As requested by your Board on February 3, 1998, this contract opportunity was listed on the Doing Business with Us website.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no negative impact on current County services or projects during and after construction. Operations at the Pacoima complex will continue uninterrupted during construction.

CONCLUSION

Please return one adopted copy of this letter to the Department of Public Works (Project Management Division II) and Fire District (Construction and Maintenance Division).

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer



P. MICHAEL FREEMAN
Fire Chief

WTF:DLW:PMF
DL:JSE:DJT

Attachments (2)

c: Auditor-Controller
County Counsel
Office of Affirmative Action Compliance
Department of Public Social Services (GAIN/GROW Program)
Department of Public Works

August 7, 2007

ATTACHMENT A

**PACOIMA GENERAL REFURBISHMENT PROJECT
AWARD CONSTRUCTION CONTRACT - SPECS. 6859; C.P. 88918**

I. PROJECT SCHEDULE

Project Activity	Revised Completion Date
Project Needs Assessment	Completed
Project Feasibility	Completed
Project Program	Completed
Design Construction Document Submittal Jurisdictional Approval	Completed Completed
Construction – Bid and Award	08/07/07
Completion Substantial Completion Project Acceptance	06/15/08 08/15/08

II. PROJECT BUDGET SUMMARY

Budget Category	Approved Budget	Impact of this Action	Revised Project Budget
Construction – (Entrance/Guardhouse/Sewer)			
(a) Base Construction	\$1,315,000	(\$ 21,390)	\$ 1,293,610
(b) Change Order	\$ 131,500	(\$ 2,139)	\$ 129,361
Construction – (JOC Warehouse Renovation)			
(a) Base Construction	\$ 160,000	\$ 223,694	\$ 383,694
(b) Change Order	\$ 16,000	\$ 51,710	\$ 67,710
Subtotal	\$1,622,500	\$ 251,875	\$ 1,874,375
Equipment			
Telecommunications	\$ 10,000		\$ 10,000
Utility Connection Fee	\$ 10,000		\$ 10,000
Subtotal	\$ 20,000	0	\$ 20,000
Design			
Plans and Specifications	\$ 159,369		\$ 159,369
Construction Administration	\$ 75,000		\$ 75,000
Subtotal	\$ 234,369	0	\$ 234,369
Consultant Services	\$ 195,000	0	\$ 195,000
Miscellaneous Expenditures	\$ 81,382	(\$ 65,000)	\$ 16,382
Jurisdictional Review and Plan Check - Building and Safety	\$ 13,346	(\$ 9,181)	\$ 4,165
County Services	\$ 159,816	\$ 295,893	\$ 455,709
TOTAL	\$ 2,326,413	\$ 473,587	\$ 2,800,000

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ATTACHMENT B

**PACOIMA GENERAL REFURBISHMENT PROJECT
AWARD CONSTRUCTION CONTRACT - SPECS. 6859; C.P. 88918**

The project includes construction of a new guardhouse, main entrance gate, fence, and new sewer line.

Bid Opening Date:

June 14, 2007

Bid Summary:

<u>Bidder</u>	<u>Total Lump Sum Bid</u>
1. Pima Corporation	\$ 1,273,000
2. Segovia Construction	\$ 1,293,610
3. Toby B. Hayward	\$ 1,328,000
4. A. Bates General Contractors	\$ 1,343,000
5. AMG Associates	\$ 1,425,000
6. Gonzales Construction	\$ 1,491,374

Financial Information:

Public Works' fair construction cost estimate was \$1,325,000.

The Contract will be issued to Segovia Construction for \$1,288,610 (\$1,293,610 base lump sum bid, minus \$5,000-Consultant Services Agreement previously awarded to Segovia Construction for preparing a baseline construction schedule).